

December 30, 2005

SUBJECT: 2005 Performance Appraisal and Awards Process

TO: Kitty Smith, OA
Kate Muir, OA
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Lisha Douglas, FRED/ISD
Jennifer Myers, MTED
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FROM: Theresa Bailey
Performance and Awards Staff, HRD

Action Required - Due Date March 1, 2006

This memo describes the procedures to be used for finalizing performance appraisals and awards for the January 1, 2005 - December 31, 2005 performance cycle.

Upon receipt of this memo, rating officials should develop reasonable due dates for receipt of employee accomplishment reports and should prepare to schedule performance reviews. Planning for this process in advance facilitates the timely initiation and processing of performance appraisals and awards.

Please pay particular attention to the information pertaining to: 1) employee lists required with submission of appraisal/award packages, 2) Quality Step Increase (QSI) eligibility, 3) Time Off awards as performance recognition, 4) documentation to be sent to the Human Resources Division (HRD), and 5) the due date for receipt of appraisals and awards.

Completion of Performance Appraisal Forms (AD-435P)

The Performance Appraisal form (AD-435P) is located on the HRD Home Page at: www.afm.ars.usda.gov/divisions/hrd/hrdhomepage/webforms/wpforms.htm. Please save the form in Word before using. Employee listings for each organization will be sent electronically to each Division. These listings will identify those employees who require ratings this cycle and will provide the employee information necessary to complete the upper section of each AD-435P.

This year, the employee lists received must be documented and returned to HRD with the Division's/unit's appraisal/award packages. Upon completion of appraisals, supervisors must document the list (in space provided) indicating the appraisal "is attached" or is "not attached" and if "not attached", a reason must be given, i.e. employee's cycle was extended through (date) or employee reported (date) and will be rated next cycle, etc. The list must be completed and submitted along with all Division/unit appraisal/award packages. All unit documentation should come as one package to HRD. Appraisals should not be sent to HRD separately. This is now being required for accountability purposes. The Office of Personnel Management (OPM) is requiring agencies to better track performance

appraisals of its employees.

After the rating and reviewing official have signed the AD-435P, the performance discussion has taken place, and the employee has signed their AD-435P, a copy of the form should be made for the employee and a copy should be retained in the supervisor's records. Required documentation to be sent to HRD is discussed later in this memo.

Employees who have been in their positions and under performance standards for 90 calendar days or more are ratable and must receive an appraisal using the AD-435P. If an employee has not been covered under standards for the minimum appraisal period of 90 calendar days, the appraisal period for that employee should be extended to meet the 90 day requirement, at which time the employee must receive a rating of record. For questions about unusual circumstances, please contact this office for guidance.

Please remember that reviewing official approval must be received **before** discussing the appraisal with the employee, and that the rating supervisor and the reviewing official cannot be the same person.

Also remember that an employee's signature on the AD-435P only constitutes receipt of the appraisal. An employee's signature on the form does not mean the employee agrees with the rating given. If an employee chooses not to sign their AD-435P, a note should be written in the employee signature box stating, "Performance review was held on (date) and the employee refused to sign."

Employees who have retired or separated and were covered under a certified performance plan for at least 90 days in the rating cycle should be appraised and receive a performance award if their rating warrants. Employees should submit an accomplishment report, preferably before their departure.

In order to effectively assist an employee who receives a "less than fully successful" summary rating within established time frames, supervisors should contact their servicing Employee Relations Specialist immediately upon making that determination.

A written narrative justification providing details concerning the employee's performance must accompany the AD-435P to HRD if:

- 1) Any one element is rated "Does Not Meet Fully Successful" or,
- 2) The rating of record is "Outstanding."

Narrative justifications may be documented on the Performance Appraisal Worksheets (Forms AD-435A and 435B), or described in a separate memo. If the rating of record is "Outstanding," an employee's accomplishment report will suffice as written justification.

Completion of Award Forms (AD-287-2)

A “Recommendation and Approval of Awards” form (Form AD-287-2) must be prepared for each award nomination.

- Cash awards over \$500 and Time Off awards over 10 hours require a written justification. If you provide a written justification for the performance rating as indicated above, you need not provide one for the award. HRD is requiring one justification for the performance rating/award package as indicated in “Documentation to HRD” below. An award justification may be a narrative description (achievement, role, and impact), or an employee’s accomplishment report.
- Cash awards of \$500 or less, require no written justification.
- A QSI may be recommended only for those employees who receive an “Outstanding” rating, who have not received a QSI within the last 52 weeks, and who have not been promoted or reassigned to a different position near the end of the performance cycle. QSIs are given in the position and at the grade level for which performance was assessed.
- A copy of the justification provided for the “Outstanding” rating will be sufficient documentation for the QSI. QSIs to the 4th and 7th steps of a grade, extend the employee’s current within-grade waiting period by one year. For specific questions regarding QSIs, refer to your servicing Human Resources Specialist or to this office.

Consider giving a Time Off award to an employee in lieu of a performance award or QSI. This option may be appealing to those employees with low leave balances. As a guide, consider 24 hours of Time Off for those receiving “Superior” ratings and 40 hours to those receiving “Outstanding”. Please refer to <http://www.afm.ars.usda.gov/hrd/awards/files/table-monetary-non-montary.pdf> for policy guidance.

Since performance awards, time off awards, and QSIs are based upon the annual performance rating, an employee may not be recommended for more than one award in this category. Recognizing specific accomplishments or achievements during this time period with other awards such as extra effort or non-monetary, is permitted.

A citation must be provided in Block 11 of AD-287-2 for performance awards and QSIs. The following citation is recommended:

"This award is based upon an official performance appraisal rating of (*Superior or Outstanding*) for the rating period January 1, 2005 through December 31, 2005."

Documentation to HRD

Please follow these instructions carefully.

One package, to include the appraisal and award, is to be sent to HRD for each employee. Each should contain the following and be stapled together in the following order:

- 1) Original AD-287-2
- 2) Original AD-435P
- 3) Performance Rating/Award Justification
- 4) Performance Plan Cover Sheet, if used
- 5) AD-435A/B or Performance Plan

NOTE: Employee list must be submitted with unit's appraisal/award packages.

Please do not send Individual Development Plans (IDPs), training forms, lists of publications, or other management documents to HRD in this package. These are not required documents in the Employee Performance File and will not be filed if received.

Please send **employee listing** and all employee appraisal and award packages to the following address:

Theresa Bailey
USDA/ARS/Human Resources Division
Performance and Awards Staff
5601 Sunnyside Avenue, Room 3-1282D
Beltsville, MD 20705-5107

Note: Please contact me to alert me that the package is coming.

Due Date/Processing

Performance appraisals and award recognition should be timely if they are to be meaningful to employees. Timely appraisal and recognition of employees are also Human Capital initiatives of which USDA agencies will be held accountable through the scorecard process. As a result, HRD will be monitoring the appraisal of employees closely. HRD requests your assistance in meeting the following due date by preparing early for the appraisal process.

- Appraisal/Award packages are to be received in HRD **no later than March 1, 2006.**
- Awards received by this date will be processed within two pay periods.
- QSI's received after this date will be changed to performance awards.
- QSI's will not be held more than one pay period for a Within Grade Increase (WGI) to be effective.
- In cases where an employee's QSI will affect their next WGI, HRD will contact the AO

to discuss whether a QSI or performance award would be beneficial to the employee.

Supervisors should consult with employees regarding recognition choices. Once an award decision has been made and the AD-287-2 for that award has been processed in the National Finance Center system, HR Assistants will not be able to cancel an award to process another.

Performance Cycle Beginning January 1, 2006

Later in December, a memo will be distributed describing the process for establishing performance plans for the rating cycle beginning January 1, 2006.

Contacts

Questions may be referred to Theresa Bailey on 301-504-1452 or to your servicing Human Resources Assistant. Performance problems which may result in a "less than fully successful" rating should be referred to your servicing Employee Relations Specialist.

Enclosure

cc:

Division Directors

K. Brownell, HRD

K. Hoyle, HRD

Metropolitan Services Branch, HRD

Employee Relations Branch, HRD

Performance and Awards Staff, HRD